

Health Benefits Fund  
For the period ended June 30, 2006  
(amounts expressed in thousands)

	FY2006					
	FY2005 Actual	Adopted Budget	Current Budget	YTD	Controller's Projection	F & A Projection
<b>Operating Revenues</b>						
City Medical Plans	\$ 200,879	\$ 234,349	\$ 234,349	\$ 215,967	\$ 215,967	\$ 215,967
City Dental Plans	7,811	8,483	8,483	7,973	7,973	7,973
City Life Insurance Plans	5,230	5,565	5,565	5,413	5,413	5,413
Health Flexible Spending Account	0	0	0	72	72	72
Dependent Care Reimbursement	139	160	160	154	154	154
<b>Operating Revenues</b>	<u>214,059</u>	<u>248,557</u>	<u>248,557</u>	<u>229,579</u>	<u>229,579</u>	<u>229,579</u>
<b>Operating Expenses</b>						
City Medical Plan Claims	198,162	231,299	215,865	212,607	212,607	212,607
City Dental Plan Claims	7,811	8,483	8,050	7,973	7,973	7,973
City Life Insurance Plans	5,226	5,565	5,517	5,409	5,409	5,409
Administrative Costs	2,651	3,450	3,450	3,104	3,104	3,104
Health Flexible Spending Account	0	0	35	39	39	39
Dependent Care	139	160	160	154	154	154
<b>Operating Expenses</b>	<u>213,989</u>	<u>248,957</u>	<u>233,077</u>	<u>229,286</u>	<u>229,286</u>	<u>229,286</u>
Operating Income (Loss)	70	(400)	15,480	293	293	293
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	437	350	350	390	390	390
Prior Year Expense Recovery	2	50	50	1,007	1,007	1,007
<b>Nonoperating Revenues (Expenses)</b>	<u>439</u>	<u>400</u>	<u>400</u>	<u>1,397</u>	<u>1,397</u>	<u>1,397</u>
Pension Bond Proceeds	0	0	0	0	0	0
Net Income (Loss)	509	0	15,880	1,690	1,690	1,690
Net Assets, Beginning of Year	<u>768</u>	<u>1,277</u>	<u>1,277</u>	<u>1,277</u>	<u>1,277</u>	<u>1,277</u>
Net Assets, End of Year	<u>\$ 1,277</u>	<u>\$ 1,277</u>	<u>\$ 17,157</u>	<u>\$ 2,967</u>	<u>\$ 2,967</u>	<u>\$ 2,967</u>

**About the Fund:**

The Health Benefits Fund is an Internal Service Fund administered by the Human Resources Department. The Fund was established in 1984 to centralize the financial transactions for the City's benefit plans. In May 1994, the entire health benefits delivery system was revamped with a new system that employs aggressive managed care features. HMOBlueTexas (HMOBTX) provides Health Maintenance Organization (HMO) and Point of Service (POS) plan, with limits on annual increases. These plans are supported by contributions from the City and participants. The Fund also includes two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. Both plans are supported exclusively by participants.